

County of Chesterfield, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2003

	<u>General</u>	<u>County Capital Projects</u>	<u>School Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
From local sources:					
General property taxes	\$236,710,581	\$ -	\$ -	\$ -	\$ 236,710,581
Other local taxes	79,689,031	-	-	-	79,689,031
Permits, privilege fees and regulatory license:	5,816,000	-	-	-	5,816,000
Fines and forfeitures	1,303,907	-	-	-	1,303,907
Use of money and property	1,657,608	333,644	346,111	1,924	2,339,287
Contributions from developers	-	5,004,347	-	-	5,004,347
Charges for services	21,663,996	107,751	-	542,891	22,314,638
Miscellaneous	1,164,342	-	45,509	128,168	1,338,019
Recovered costs	6,654,328	216,842	-	-	6,871,170
Donations	1,831,860	-	-	12,925	1,844,785
From component unit - School Board	62,738,619	-	19,681,068	898,500	83,318,187
From other governments	108,030,197	1,794,733	790,015	10,027,088	120,642,033
Total revenues	<u>527,260,469</u>	<u>7,457,317</u>	<u>20,862,703</u>	<u>11,611,496</u>	<u>567,191,985</u>
Expenditures					
Current:					
General government	29,066,814	-	-	-	29,066,814
Administration of justice	5,612,343	-	-	1,673,767	7,286,110
Public safety	96,443,578	-	-	3,763,681	100,207,259
Public works	14,640,890	-	-	73,135	14,714,025
Health and welfare	39,735,372	-	-	6,933,810	46,669,182
Parks, recreation and cultural	15,118,720	-	-	28,640	15,147,360
Education - School Board	245,836,503	-	2,152,939	-	247,989,442
Community development	10,172,120	-	-	2,082,765	12,254,885
Debt service:					
Retirement of principal	34,357,772	-	-	-	34,357,772
Interest	16,815,327	-	-	-	16,815,327
Other	1,435,123	-	-	-	1,435,123
Capital outlay	-	22,626,854	35,920,861	-	58,547,715
Total expenditures	<u>509,234,562</u>	<u>22,626,854</u>	<u>38,073,800</u>	<u>14,555,798</u>	<u>584,491,014</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,025,907</u>	<u>(15,169,537)</u>	<u>(17,211,097)</u>	<u>(2,944,302)</u>	<u>(17,299,029)</u>
Other financing sources (uses)					
Transfers in	1,493,466	9,713,744	16,586,660	3,252,693	31,046,563
Transfers out	(29,407,502)	(992,877)	-	-	(30,400,379)
Certificates of participation issued	47,219	6,100,553	-	-	6,147,772
Bonds issued	84,657	-	24,908,941	-	24,993,598
Refunding bonds issued	33,076,575	-	-	-	33,076,575
Payment to refunding bond escrow agent	(32,882,120)	-	-	-	(32,882,120)
Total other financing sources (uses)	<u>(27,587,705)</u>	<u>14,821,420</u>	<u>41,495,601</u>	<u>3,252,693</u>	<u>31,982,009</u>
Net change in fund balances	(9,561,798)	(348,117)	24,284,504	308,391	14,682,980
Fund balances, July 1, 2002	113,394,521	17,685,336	-	792,183	131,872,040
Fund balances, June 30, 2003	<u>\$103,832,723</u>	<u>\$ 17,337,219</u>	<u>\$ 24,284,504</u>	<u>\$ 1,100,574</u>	<u>\$ 146,555,020</u>

(Continued)

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Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Net change in fund balances - total governmental funds \$ 14,682,980

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$49,612,038) exceeded depreciation (\$21,944,267) in the current period. 27,667,771

In the Statement of Activities, only the gain on the sale of surplus assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the surplus assets sold. (203,375)

Donations of capital assets increase revenues in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources. 3,049,567

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (162,514)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount by which payments (\$67,239,892) exceeded proceeds (\$64,217,945). 3,021,947

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes (exclusive of internal service fund changes) of the following balances:

Compensated absences	\$ (393,599)	
Judgments and claims	282,054	
Retirement plan obligations	168,564	
Accrued interest	430,263	
Amortization of deferred amount on refunding	(118,812)	
Amortization of bond premium	130,814	
Amortization of issuance costs	<u>(42,721)</u>	456,563

Internal service funds are used by management to charge the costs of insurance, vehicles and communications and construction management to individual funds. The net revenue of the internal service funds is reported with governmental activities. (1,789,393)

Change in net assets of governmental activities. \$ 46,723,546

The accompanying notes are an integral part of the financial statements.